Sect. II-45—25,565—9-3-2

(192) Department.

Mro SERIES.

G.O. No. 1055 W

DATED 12-7-1920

[Despatch Abstract.]

Advance - contractor - Irrigular - Bellary Division.-

Construction of District Munsif's Court, Hospet, Orders on the case.

1757 Ref. 16-5-20

PUBLIC WORKS DEPARTMENT.

P.W.D. F. 368—2,000—3-8-19.

PUBLIC WORKS 11 MAY 1920

CURRENT No.

ENCLOSURES. { Plans No. nil / Others No.

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W14 10.5.20

Subject.

CONFIDENTIAL.

FORT ST. GEORGE, MADRAS,

No. 13

Dated the 6th May 19 20

From

H. BHIMASENA RAU, ESQ., B.A.,

~~THE~~ ACCOUNTANT-GENERAL,

Offg.

Madras,

To

~~THE SECRETARY~~ TO THE GOVERNMENT OF MADRAS,

PUBLIC WORKS DEPARTMENT.

SIR,

I have the honour to bring the following case to your notice, for such orders of Government thereon as may be considered necessary. The Executive Engineer, Bellary Division advanced a sum of Rs 702-8-0 in March and April 1918 to a contractor for the work of constructing a new District Munsiff's Court, Hospet, on the security of materials alleged to have been collected by him. As it was observed that the amount was recovered in June 1919, an enquiry was made as to why the materials were not used up. The reply elicited was to the effect that the ad-

de, 11/5

Ack 11.5.20

advance was made on the materials at the kiln because they were already burnt at the proper season, and it was intended to make full payment on receipt thereof at site of work, but that as the contractor never brought them to the site, the advance was recovered. Further, it was noticed that in the annual "D" statements for 1917-18 and 1918-19 (statement showing value of materials brought to site by contractors whose contract is for finished work - G.O. No.1969 dated the 10th October 1914), the materials were certified to have been at the site. This was pointed out to the Executive Engineer and he simply warned the Overseer for the inaccuracy.

2. I would add that the whole matter was reported to the Superintending Engineer and the action taken by him consisted in merely reprimanding the parties at fault. (A copy of his No.2680, dated the ~~6th April 1920~~ 30th March, on the subject is separately enclosed).

I have the honour to be,

Sir,

Your most obedient servant,

Offg. Accountant-General.

Memorandum No.2680 dated the 30th March 1920 from the Superintending Engineer, III Circle.

Ref: the correspondence ending with his No.1800 of 24th March 1920.

This is altogether a most unsatisfactory case. The payments made to the contractor for the District Munsiff's Court, Hospet in March and April 1918 were apparently made under the authority or at any rate with the consent of the Executive Engineer. They were made on materials under preparation or collection at the kilns in the hope of early delivery at site. In other words the payments were purely and simply an advance to the contractor on the security of materials of his and on the promise of early delivery. The Executive Engineer's action in allowing this was most irregular and he is warned against a repetition of

of such action. As regards the action of Mr. K.R.Subrahmanya Ayyar the Overseer and Mr. G.V.Kuppuswami Ayyar, the Sub Divisional Officer at the time in putting in, and passing what were practically false materials at site statements, certifying that the materials at site were verified, I consider them to be guilty of serious irregularity and reprimand them both. The Executive Engineer will take action to finally put a stop to all such irregularities.

rue copy

C Hanumantha Chetti

Superintendent,
Correspondence Section,

4

Memo 1751 Accts/20-1 D/2620

No. 1757 Accts from the A.G c. 13 corrdt Q 6/7 5.20

The A.G has brought to the notice of Govt the case of the grant of an irregular advance of money to a contractor for the work of constructing a new or municipal court which is now disposed of by the S.E. III circle in his memo No. 2680 Q 31. The S.E is requested to obtain & submit with the relevant papers the explanation of the Executive Engineer, Bellary Div., as to why he granted such an irregular advance the S.E is also requested to ensure & submit the explanation of the overseer, K.K. Subramanya Aiyyar, as to why he maintained a false account of materials at site by including in their statement materials which has not reached the site of the work, as the explanation

No. 4008L - 21848 dt. 3-1-20.

20,000 5-5-16.

It is requested that in future communications on the subject, the No. and date of this letter, and the distinguishing letters above: the number as given opposite, may be quoted. The communications should be addressed to—

THE ACCOUNTANT-GENERAL,
POST BOX No. 801,
MADRAS, E.

SUPERINTENDING ENG. Regn. No. 48 Gp 7-1-20 III CIRCLE CSI

OFFICE OF THE ACCOUNTANT-GENERAL, MADRAS,

Fort St. George, the ~~5th~~ *of* ~~January~~ 1920

No. B.L. 460 /21522

From

THE ACCOUNTANT-GENERAL,

MADRAS,

To

The Superintending Engineer,

III Circle.

ENCLOSURES:

To be substituted for this office letter bearing the same No. and date.

SIR,

I have the honour to report that the Executive Engineer Bellary Division advanced a sum of Rs.702-8-0 on S.Dt.No.62 and S.Dt.No.67 C.B.V.No.18 of April 18 C.B.V.No.69 of March 1918 to contractor A.L.Gurusami Mudaliar for the work "constructing a new District Munsiff's Court at Hospet" on the security of materials as per details in the margin and that the same was subsequently recovered from him in two instalments on CBV Nos.2 (Rs.322-8-0) and 33 (Rs.380/-) of S.Dt. No.45 for June 19.

	Rs.	As.	Ps.
March '18			
Burnt bricks	210	0	0
April '18			
Burnt bricks	210	0	0
Do. flat tiles	122	8	00
Do. terrace bricks	160	0	0
	702	8	0

2. When the Executive Engineer was asked in para 15 of this office audit notes for June '19 as to why the advance was recovered even though the materials in question, were not used up on the work, he stated that, as the contractor burnt bricks in the proper season, payment was made to him as an advance.

3. In the 1st rejoinder to the audit note in which

-x- #9

which the Executive Engineer was asked to explain why the materials were not used up on the work, he stated that the advance was made on materials at the kiln with a view to making full payment on receipt of materials on the work spot and that as the contractor never brought them to the work site the value was subsequently deducted.

In two successive "D" statements for 1917-18 and 1918-19 Mr. K.R. Subramania Iyer, Overseer however, certified to the existence of the materials at site of the work on 27-3-18 and 3-4-19 and the incorrectness of the certificate in respect of the latter was brought to the notice of the Executive Engineer in this office 2nd Rejoinder to the audit note for June 1919 and he was asked to explain how such a certificate was given when the materials had not been actually brought to site of the work. The Executive Engineer in his reply No.6802 dated 18th December 1919 remarked that the subordinate had been warned for having furnished misleading information in the "D" statement.

4. As the advance of the sum of Rs.702-8-0 made to the contractor in March and April '18 for materials which were never brought to site but subsequently withdrawn and the certificate of their existence on two successive statements amount to a serious financial irregularity I bring the matter to your notice for such action as you consider necessary and I shall be glad to be informed of the action taken.

I have the honour to be,
S i r,
Your most obedient servant,

K R S Rau 4/1
Deputy Accountant General.

To.

Copy forwarded to EE B Am. for Report, in No. 2008 10-1-20
Sent on 15-1-20

10

P.W.D. V. 111—54,000—[illegible]-14.

No. 632

OFFICE OF THE ~~SUPERINTENDING~~ EXECUTIVE ENGINEER,

Bellary Circle / Division.

Bellary dated ~~31st~~ 1st Feb. 1920

4-2

From C.L.Bushell Esquire, A.M.I.C.E

~~SUPERINTENDING~~ EXECUTIVE ENGINEER,

Bellary Circle / Division.

Enclosures. To

8/page

THE Superintending Engineer

Third Circle,

Bellary.

SIR,

District Munsif's Court, Hospet.

With reference to your No. 208 dated 15-1-20, I have the honour to report as follows:—

The advance of Rs 702-8-0 was made in March 1918 and April 1918 on materials which were at the brick kiln only. As the contractor was burning the bricks in the hot weather and they would not be required for use until after the rains had begun it was at that time considered that it would be an ~~arrangement~~ encouragement to him to make the advance as it did not appear that he had so much capital to be able to afford to have so much capital lying idle. In fact if such payments are not made the contractors must borrow money and pay interest on it. Such interest must indirectly be paid by Government (by increase of rates) hence it is more economical for Government to pay such advances. The 3rd payment was made to him 29th November 1918 i.e., after 7 months from the previous payment in April 1918 & and 4th & 5th payments were made in January 1919 and February [illegible] As the contractor's progress ~~on~~ in the work was very unsatisfactory the work was finally measured in April 1919 and the final bill made wherein the above ~~sub~~ sum of Rs 702-8-0 was deducted but this This was passed by me ~~that the~~ bill was ~~sub~~

subsequently cancelled, when the contractor was reinstated. The advance was recovered in the bills paid in June 1919 as the contractor failed to cart the bricks and tiles which were at quarry and on which the payment was made as advance.

In the D.Statements for 1917-18 and 1918-19, the materials were verified and certified by the Overseer M.R.Ry. K.R. Subrahmanya Ayyar. When the Overseer was called on to explain why he certified as the existence of the materials at site of the work in the 2 statements, he explained that he did not actually certify that the materials were <u>at site of the work or at site of the quarry</u> but he certified only as to the quantity of the materials The statement is headed as " Statement showing value of contractor's materials at site of the work" and hence the Overseer should have clearly noted in this case that the materials were verified at brick kiln only. The Overseer was warned by me for not noting as above in the statements and giving the information which was misleading.

As the amount has been recovered from the contractor and the Overseer warned for his misleading statement, no futher action seems to me to be necessary. From the measurement book concerned it is seen that the materials were noted as at quarry only.

I have the honour to be,

Sir

Your most obedient servant,

C L Pugsley
3/2/20

Ex. Engineer, Bellary Division.

D.V. 2-2-20.

2/2/20

Copy of letter No. 308 dated 31-10-19 from M.R.Ry K.R.Subrahmanya Ayyar, Overseer, Hospet to the Sub Divisional Officer, Hospet:--

Resubmitted.

The materials referred to i.e.

Burnt bricks	costing	Rs 210-0-0
Flat tiles		52-8-0
Terrace bricks		60-0-0

have been billed for at quarry and the same has been noted in the measurement book.

In the D statement submitted by me I have certified only as to the quantity of the materials. But I have not stated there that they are at site of work not at site of quarry.

On subsequent orders of the Executive Engineer not to pay for materials at quarry the payment has been retrenched.

Copy of endorsement No. 1292-E., dated the 1st November 1919 from M.R.Ry P.V.Srirama Ayyar Avl., Sub Divisional Officer Hospet to the Executive Engineer, Bellary Division:-

Submitted to the Executive Engineer, Bellary Division with reference to D.O. No. 5710 dated the 25th October 1919.

(True Copy)
K. Rangaswami 14.6.20
Bellary Division

13

P.W.D. V. 111—54,000—11-14

No. 1800

OFFICE OF THE ~~SUPERINTENDIN~~ EXECUTIVE ENGINEER,

~~Circle~~ Division

Bellary

Station Bellary dated 19th

From

C.L.Bushell Esquire A.M.I.C.E.,

~~SUPERINTENDING~~ EXECUTIVE ENGINEER,

~~Circle~~ Division.

Bellary

Enclosures

To

THE Superintending Engineer,

Third Circle,

Bellary

SIR,

Read the following:--

Letter No. 180 dated 11-3-20 from M.R.Ry G.V.Kuppaswami Ayyar Avl , Sub Divisional Officer, T.R.S. Cuddapah:--

Re: Payment for materials on District Munsif's Court-Hospet.
Dn. No. 1263 dated 28th Febraury 1920

I have the honour to state that ~~THE~~ advances to the contractor for his materials (bricks and tiles) at the kiln only were paid on the understanding that the contractor promised to cart them to site soon which fact the Executive Engineer also knows The rates for the materials at which the advances were calculated were much less than the then current rates and allowed only for a certain percentage of the cost of these materials.

The contractor was not able to cart them bricks even in spite of this encouragement given him in the way of advance on materials.

2. No doubt according to the "D" statement (interpreted literally) the materials ought to be at site of work. I confess that, when I passed the statement on to the Executive Engineer, it did not strike me that I should make

a remark to the effect that the materials have been verified at the ~~xxlexmfxxmrkx~~ kiln only, in the statement itself.

I regret for the same and request to be excused.

Read also:--

Letter No. 347 dated 10-3-20 from M.R.Ry P.V.Srirama Ayyar Avl., Sub Divisional Officer, Hospet :--

Dn. No. 1413 dated 6-3-20.

With reference to the above, I beg to state that as the materials were all of them exclusively intented for the work the idea of the kiln being a part and parcel of the work was so predominent in my mind that it never occurred to me that a distinction should be made between the materials charged to the work and between those at site of the work especially as I have not seen such distinction punctiliously observed before Even here the same kind of materials under the circumstances has been passed over without remarks in the D statement for 1917-18. In this connection I beg to state that I took charge of the Sub-Division only on 10-4-1919 and the materials had all been paid for prior to my arrival, Now that the observance of the distinction has been brought home to me by this letter I shall see that such omissions do not recur.

Forwarded to the Superintending Engineer, III Circle, Bellary with reference to his No. 1231 dated 12/13-2-20.

C.H.Bushill
23/3/20

Ex. Engineer. Bellary Dn.

D.V. 22-3-20.

22/3/20

Sri Submitted for favourable orders.
This refers to the payment of advance to the Contractor, Sri Narasinga Chari Hughes for supply of bricks. The S.D.O explains that because the Contractor promised to supply some bricks advancement was made. There is nothing to defend the irregular procedure and there should be sufficient hold on the Contractor to effect recovery of the advances from his dues. A recurrence of such a thing should be strictly prohibited & the may be advised not to allow his subordinates

23/3/20

15

Copy of letter No 2680 (Cofidential) Dated 6th April 1920 from J. M. M. Parker, Esquire., Superintending Engineer, III Circle to the Executive Engineer, Bellary Dn.

Same as at pp 2-3 ante

---oOo---

Reference the correspondence ending with his No 1800 dated 24th March 1920.

This is altogether a most unsatisfactory case. The payments made the contractor for the District Munsiff's court Hospet in March and April 1918 were apparently made under the authority or at any rate with the consent of the Executive Engineer. They were made on materials under preparation or collection at the kilns in the hope of early delivery at site. In other words the payments were purely and simply an advance to the contractor on the security of the materials of his on the promise of early delivery. The Executive Engineer's action in allowing this was most irregular and he is warned against a repetition of such action. As regards the action of Mr. K.R.Subrahmanya Ayyar , the overseer and the Sub Divisional Officer Mr. G.V. Kuppuswami Ayyar, in putting in and passing what were practically false materials at site statements certifying that the materials at site were verified , I consider them to be guilty of serious irregularity and reprimand them both The Executive Engineer will take steps to finally put a stop to all such irregularities.

/True Copy./

Advance - Contractor - Irregular - Bellary Dt.

Construction of St Mungis Court Hospt - Orders thereon

READ MAIN G.O. No. ....., dated 192

" " " " ..... " 192

READ ALSO:—

Q C. No. 1751 Accts From the A.G. No. 13 Confdl dated 6-5-1920

Q — Memo to the S.E. III Q No 1751 Accts - 1920-6-20

" " 2127 " From the S.E. III Q " 4637 " 15-6-1920.

P. to A.G. 1166-7-10-1920

Q to S.E.

192

ORDER.

Misc

No. 1055W, dated 12-7- 1920

In the circumstances explained, the Govt agree with the S.E. & ~~conclusion~~ that the action of all concerned in this case was most irregular and unsatisfactory, but that it was taken bona fide. with the intention of trying to push on the work

As the officers and subordinates concerned in the matter have been warned by the S.E, no further action is considered necessary

HD 9.7.20

CR 5.7.20 9.7.20

To the S.E. Third circle

" " A.G. Madras.

DESPATCHED

Date 21.7.20

By Mil